

DIRECTORS' REPORT
TO THE MEMBERS OF B.J. ASHPOLE LIMITED

The Directors have pleasure in submitting their Report, together with the Audited Accounts for the year ended 31st December 1982.

Activities of the Company

The principal activities of the Company are those of Precision and Manufacturing Engineers and Engineering Factors.

There has been no change in these activities during the year.

State of Affairs

The Company's affairs are considered to be satisfactory.

Dividends and Reserves

The Directors do not recommend payment of any dividend or any transfer to Reserves.

Directors

The Directors of the Company during the year (all of whom have been in office throughout the year) together with their respective interests in the shares of the Company at the beginning and end of the year are:-

	<u>At 1:1:82</u> <u>Ordinary Shares</u>	<u>At 31:12:82</u> <u>Ordinary Shares</u>
B.J. Ashpole Esq.	2,150	2,150
A.J. Ashpole Esq.	1,300	800
Mrs. B.J. Ashpole	800	800

Fixed Assets

Details of Fixed Assets are shown in Note 3 to the Accounts.

In the opinion of the Directors, the market value of the Company's Land and Buildings is in excess of the Balance Sheet value but, in view of the circumstances of the Company, the Directors consider it to be of no significance to the Members.

Auditors

In accordance with Section 14, Companies Act 1976, a resolution proposing the re-appointment of Messrs. Price, Bailey and Partners will be put to the Annual General Meeting.

BY ORDER OF THE BOARD

A.J. Ashpole
A.J. ASHPOLE
SECRETARY

S. Chmell Road
Bishop's Stortford
Hertfordshire

B.J. ASHPOLE LIMITED
REPORT OF THE AUDITORS TO THE MEMBERS

We have audited the financial statements on pages 3 to 8. Our audit was conducted in accordance with approved Auditing Standards having regard to the matters referred to in the following paragraph.

In common with many businesses of similar size and organisation the Company's system of control and stock valuation is dependent upon the close involvement of the Managing Director, (who is a major shareholder). Where independent confirmation of the completeness of the accounting records was, therefore, not available we have accepted assurances from the Directors that all the Company's transactions have been reflected in the records. SSAP 12 has not been complied with to the extent that no depreciation has been provided on Freehold Buildings.

Subject to the foregoing, in our opinion the financial statements, which have been prepared under the historical cost convention give a true and fair view of the state of the Company's affairs at 31st December 1982, and of its profit and source and application of funds for the year then ended and comply with the Companies Acts 1948 to 1981.

THE GUILD HOUSE
WATER LANE
BISHOP'S STORTFORD
HERTFORDSHIRE
26th FEBRUARY 1984

PRICE, BAILEY AND PARTNERS
CHARTERED ACCOUNTANTS

B.J. ASHPOLE LIMITED
BALANCE SHEET AS AT 31st DECEMBER 1982

	<u>Note</u>	<u>1982</u>	<u>1981</u>
<u>CAPITAL EMPLOYED:</u>			
<u>SHARE CAPITAL</u>	2	15,000	15,000
<u>UNAPPROPRIATED PROFITS</u>		<u>76,761</u>	<u>86,804</u>
		£ 91,761	£101,804
<u>EMPLOYMENT OF CAPITAL:</u>			
<u>FIXED ASSETS</u>	3	81,511	113,568
<u>CURRENT ASSETS</u>			
<u>Stock on Hand</u>	1(b) 9,154		7,586
<u>Sundry Debtors and Prepayments</u>	43,250		54,135
<u>Cash at Bank and in Hand</u>	<u>102,885</u>		105,966
	<u>155,289</u>		167,687
<u>LESS: CURRENT LIABILITIES</u>			
<u>Directors' Current Accounts</u>	45,608		68,172
<u>Taxation</u>	4 5,637		7,157
<u>Sundry Creditors and</u>			
<u>Accrued Charges</u>	<u>69,193</u>		66,005
	<u>120,438</u>		141,334
<u>NET CURRENT ASSETS</u>		<u>34,851</u>	<u>26,353</u>
		116,362	139,921
<u>DEFERRED TAXATION</u>	5	<u>24,601</u>	<u>38,117</u>
		£ 91,761	£101,804

B. J. Ashpole

B.J. ASHPOLE

A. J. Ashpole
A.J. ASHPOLE

DIRECTORS

Approved on:- 25.2.84

B.J. ASHPOLE LIMITED
PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st DECEMBER 1982

	<u>Note</u>	<u>1982</u>	<u>1981</u>
<u>(Loss)/Profit before Taxation</u>		(19,279)	6,122
<u>After Charging:</u>			
Directors' Emoluments	22,975		22,042
Auditors Remuneration	2,250		2,125
Depreciation	1 (a) 35,534		36,243
<u>And After Crediting:</u>			
Bank Interest Receivable	9,103		7,636
Rent Receivable	3,000		3,000
<u>Taxation</u>	4	(9,236)	<u>2,585</u>
<u>(Loss)/Profit after Taxation</u>		(10,043)	3,537
<u>Unappropriated Profits at</u> <u>1st January 1982</u>		<u>86,804</u>	<u>83,267</u>
<u>Unappropriated Profits carried forward</u>		<u>£ 76,761</u>	<u>£86,804</u>

B.J. ASHPOLE LIMITED
STATEMENT OF SOURCE AND APPLICATION OF FUNDS
FOR THE YEAR ENDED 31st DECEMBER 1982

<u>SOURCE OF FUNDS:</u>	<u>1982</u>	<u>1981</u>
Profit before Tax	-	6,122
Adjustment for Items not involving the movement of funds:		
Depreciation	<u>35,534</u>	<u>36,243</u>
<u>Total Generated from Operations</u>	<u>35,534</u>	<u>42,365</u>
<u>Proceeds of Disposals of Fixed Assets</u>	<u>200</u>	<u>-</u>
	<u>35,734</u>	<u>42,365</u>
<u>APPLICATION OF FUNDS:</u>		
Acquisition of Fixed Assets	3,677	3,687
Loss before Tax	19,279	-
Taxation Paid	<u>5,800</u>	-
	<u>28,756</u>	<u>3,687</u>
	<u>6,978</u>	<u>38,678</u>
<u>INCREASE/(DECREASE) IN WORKING CAPITAL</u>		
Stocks and Work in Progress	1,568	(8,114)
Debtors	(10,885)	(4,720)
Directors' Current Accounts	22,564	(6,755)
Creditors	(3,188)	(10,721)
	10,059	(30,310)
<u>Movement in Net Liquid Funds:</u>		
Cash at Bank	(3,081)	68,988
	<u>£ 6,978</u>	<u>£ 38,678</u>

B.J. ASHPOLE LIMITED
NOTES ON AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 31st DECEMBER 1982

ACCOUNTING POLICIES

The accounting policies followed for dealing with items which are judged material or critical in determining the results for the year and in stating the financial position in these financial statements are:-

(a) Depreciation

No depreciation has been provided on Freehold Land and Buildings. Depreciation has been provided on the remaining Assets with effect from the date of commissioning and has been calculated over their anticipated working life at the following rates:-

Motor Vehicles	25% p.a.	Reducing Instalment
Plant	15% p.a.	Reducing Instalment and Straight Line
Fixtures and Fittings	15% p.a.	Reducing Instalment
Heating Installations	10% p.a.	Reducing Instalment

(b) Stocks

Stocks have been valued by the Directors at their estimate of the lower of cost or net realisable value.

(c) Taxation

The Company is a Close Company within the meaning of the Income and Corporation Taxes Act 1970.

(d) Deferred Taxation

Deferred Taxation is accounted for by the liability method in respect of:-

- (A) The amount by which Capital Allowances claimed exceed depreciation provided in the Accounts.
- (B) The balancing charge which would arise if Freehold Property was sold at the value shown in the Accounts at 31st December 1982.
- (C) Corporation Tax losses carried forward.

(e) Accounts Format

The Accounts and Notes thereon have been prepared in accordance with the provisions of Section 149(A) of, and Schedule 8(A) to, Companies Act 1948.

B.J. ASHPOLE LIMITED

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NOTES ON AND FORMING PART OF THE ACCOUNTS

FOR THE YEAR ENDED 31st DECEMBER 1982

(CONTINUED)

SHARE CAPITAL

	<u>1981 and 1982</u> <u>Authorised</u> <u>Issued and</u> <u>Fully Paid</u>
Ordinary Shares of £1 each	5,000
Non-Voting 'A' Ordinary Shares of £1 each	10,000
	£15,000
	<u>=====</u>

FIXED ASSETS

	<u>Freehold</u> <u>Land and</u> <u>Buildings</u>	<u>Plant and</u> <u>Equipment</u>	<u>Motor</u> <u>Vehicles</u>	<u>Total</u>
<u>Cost</u>				
At 1st January 1982	31,686	288,037	9,359	329,082
Additions	-	-	3,677	3,677
Disposals	-	-	(667)	(667)
At 31st December 1982	31,686	288,037	12,369	332,092
<u>Depreciation</u>				
At 1st January 1982	-	209,965	5,549	215,514
Provided for the year	-	33,841	1,865	35,706
On disposals	-	-	(639)	(639)
At 31st December 1982	-	243,806	6,775	250,581
<u>Net Book Value</u>				
At 31st December 1982	£31,686	£ 44,231	£ 5,594	£ 81,511
	<u>=====</u>	<u>=====</u>	<u>=====</u>	<u>=====</u>
At 31st December 1981	£31,686	£ 78,072	£ 3,810	£ 113,568
	<u>=====</u>	<u>=====</u>	<u>=====</u>	<u>=====</u>

B.J. ASHPOLE LIMITED
NOTES ON AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 31st DECEMBER 1982
(CONTINUED)

4. TAXATION

The charge for taxation is made up as follows:-

	<u>1982</u>	<u>1981</u>
United Kingdom Corporation Tax at 38 $\frac{1}{2}$ % (1981 40%) on the profits for the year	4,280	4,357
Transfer (from)/to Deferred Taxation Account in respect of:		
Accelerated Capital Allowances (11,610)		(11,996)
Corporation Tax Losses Utilised -		10,224
Restatement of Opening Position (1,906)		-
	(13,516)	1,772
	£(9,236)	£ 2,585
	<u> </u>	<u> </u>

The amount shown for Taxation under Current Liabilities represents:-

	<u>1982</u>	<u>1981</u>
United Kingdom		
Corporation Tax payable within one year	1,357	2,800
Corporation Tax payable 1st January 1984	4,280	4,357
	£ 5,637	£ 7,157
	<u> </u>	<u> </u>

5. DEFERRED TAXATION

The balance on Deferred Taxation Account is made up of a provision at 38% (1981 40%) on the following:-

	<u>1982</u>	<u>1981</u>
Accelerated Capital Allowances	23,904	37,383
Investment Grant Received	697	734
	£24,601	£38,117
	<u> </u>	<u> </u>

6. FUTURE CAPITAL EXPENDITURE

Contracted for:-

Not Contracted for:-

	<u>1982</u>	<u>1981</u>
Contracted for:-	£ 7,192	£ -
Not Contracted for:-	£ 5,000	£ -
	<u> </u>	<u> </u>